

the developing countries. If that is so, may I know whether our Government has taken up the matter so as to narrow down the gap between developed and developing countries and whether this lack of narrowing the gap between the developed and developing countries is going to affect India so far as finance is concerned?

**SHRI MORARJI DESAI:** The hon. Member may be interested in knowing about romances. I am not. Therefore, I know nothing about it and I cannot reply to that. As far as the narrowing down of the gap is concerned, it is true that it is not taking place and that is why discussions are going on. If it had been a very simple matter, it would have been achieved immediately. It is not such a simple matter. It takes time for both sides to come to conclusions but I think ultimately good results will flow out of such discussions.

**SHRI HEM BARUA:** Part (b) of my question has not been answered. Is this lack of narrowing down going to affect adversely the financial assistance coming from the developed countries to India?

**SHRI MORARJI DESAI:** It is possible that this will lessen the finances coming to this country. But it will not always be the case. It will also help to spur us to make our efforts.

**श्री सीताराम केसरी :** अध्यक्ष जी, विकसित देशों का जो संकल्प एक प्रतिशत आमदनी में हमें सहायता देने का है, उन के संकल्प के अनुसार हमें एक प्रतिशत के आधार पर सहायता नहीं मिलती, तो मैं मन्त्री महोदय से यह जानना चाहूंगा कि वह विकसित देशों में कौन सा देश है जो अपने संकल्प की पूर्ति में हिचकिचाहट दिखा रहा है।

**श्री मोरारजी देसाई :** देशों का डम तरह से मुकाबला करना अच्छा नहीं होगा। डमनिए में इस की तफसील में नहीं जाना चाहता।

**SHRI S. S. KOTHARI:** There is a marked shift in the attitude of the United States and Western countries in regard to maintaining the levels of foreign aid at precious levels. In view of the possibility of decline in such development aid, may I know how it would effect our maintenance imports and the projects which we have on hand?

**SHRI MORARJI DESAI:** Maintenance imports may be affected if the amount of aid is not coming to the required extent and, in that sense, there will be difficulties. But those difficulties will also show us the remedies how to make us forego those imports.

#### PLAN OUTLAY FOR 1968-69

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**\*393. SHRI CHINTAMANI PANIGARHI:**  
**SHRI K. M. ABRAHAM:**

Will the Minister of FINANCE be pleased to state:

(a) the total outlay of annual Plan of each State approved by the Planning Commission for the year 1968-69;

(b) the amount of Central assistance extended to each State for the same period; and

(c) the reasons for the cut, if any, in the outlay of the annual Plan of each State for the above period?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. C. PANT):** (a) Outlay for the Annual Plans of the States for 1968-69 have not yet been finalised.

(b) A statement is laid on the Table of the House indicating the distribution of Rs. 590 crores out of a total Central assistance of Rs. 615 crores. [Placed in Library. See. No. LT-300 /68]. Allocation of the balance of Rs. 25 crores has not yet been made.

(c) The question does not arise.

**SHRI CHINTAMANI PANIGRAHI :** Out of this Central assistance of Rs. 615 crores, the States by way of payment of interest to the Central Government on the loans incurred all these years are paying nearly Rs. 400 crores. I hope my figure is correct. In view of this burden on the State Governments by way of payment of interest and return of capital of nearly Rs. 400 crores to the Central Government when they are getting only Rs. 615 crores by way of Central assistance, may I know whether the government is going to review and rationalise the payment of interest and repayment of loans by the States by giving fresh thought to this problem so that the States may not be over-burdened.

**SHRI K. C. PANT:** Out of Rs. 615 crores, as I said, Rs. 25 crores have been

allocated for big river valley projects. So far as the repayment of loans etc. is concerned the Central assistance to the State plans is Rs. 590 crores and the repayment of loans has to take place out of the total resources of the states.

**SHRI CHINTAMANI PANIGRAHI:** My question has not been answered. What I submitted was that the State Governments are paying nearly Rs. 400 crores by way of interest to the Central Government, but the Central assistance comes to about Rs. 615 crores only. I wanted to know whether the Finance Ministry and the hon. Deputy Prime Minister have given thought to this problem so that they can review this adjustment of loans and capital to the State Governments and the State Governments may implement some projects and can also provide employment to the people because there is no execution of the Plan and everywhere there is unemployment. Is any fresh thought being given to this problem?

**SHRI K. C. PANT:** Over and above these Rs. 615 crores there is statutory distribution of the Central resources also. This is not the total amount. So, repayment has to take place out of the total of the central allocation of assistance, statutory allocations and the resources raised by the States themselves.

**SHRI CHINTAMANI PANIGRAHI:** What are the total allocations then which the Central Government is making to the State Governments? Secondly, the Government of India has considered minor irrigation and rural electrification as the two priority areas. So, we would like to know from the Central Government to what extent they are going to augment the resources of the State Governments in these two priority areas so that they can go ahead with these projects.

**SHRI K. C. PANT:** Separate notice may be given so far as the first part of the question is concerned. So far as the second part of the question is concerned, that is taken into account in the Central assistance figures.

**SHRI K. M. ABRAHAM:** Will the hon. Minister be pleased to state whether any State Government has complained against the reduction of State outlays and, if so, the names of those States? Also, will the hon. Minister be pleased to state whether the State outlays are reduced in view of the fact that

non-Congress ministries are coming into power in the States ?

**SHRI K. C. PANT:** So far as the satisfaction of the States is concerned, it is very difficult to satisfy any State in regard to this matter. So far as discrimination between Congress and non-Congress governments goes, that is a suggestion that I repudiate.

**SHRI S. M. BANERJEE:** With regard to part (b) of the question, namely, the amount of Central assistance extended to each State, is the Minister aware that there is a lurking fear in the minds of those States which are not Congress governed States but which are non-Congress governed States that in the matter of allocation of Central assistance some sort of discrimination is being consciously or unconsciously shown? Has this been brought to the notice of the Central Government and will they see that in the matter of such allocations there will be no discrimination and it will be purely on merit basis and not on political basis?

**SHRI K. C. PANT :** As I said earlier, there is no discrimination and there will be no discrimination. There are certain definite principles which guide the Central Government in the matter of allocating assistance to the States and these principles are applied uniformly to all the States whether they are Congress or non-Congress States.

**SHRI K. NARAYANA RAO:** From the list it will be evident that these are wide disparities in the Plan assistance given to the various States. I wish to know from the hon. Minister on what criterion, whether on the basis of population or on the basis of revenues received from the given State or on the basis of intrinsic and special difficulties of various States, these allocations have been formulated.

**AN HON. MEMBER :** On the basis of favouritism.

**SHRI K. C. PANT :** When the Fourth Five Year Plan was drafted, the Planning Commission indicated to all the States what their proportionate shares would be out of a total fund that was available for Central assistance purposes. Broadly speaking, this is the proportionate share that has been adhered to in the last two years. Now, the principles that guide the

Centre in this matter are the share of the States in the population of the whole country, the requirement of approved projects continuing from previous Plan period and the requirement of funds for specially backward areas, etc.

**SHRI RANGA:** Just now the hon. Minister has mentioned three factors as being the principles which govern the distribution of funds in different States. May I know, in view of the fact that the Finance Commission has been appointed, a bit early, whether they would be willing to ask this Commission to indicate how those principles are to be interpreted in action and whether they would be satisfied with these principles or these criteria and whether they would like to suggest any other criteria and also, whether they would be willing to take into counsel the Chief Ministers and the Finance Ministers of the States before they finalise these new criteria ?

**SHRI K. C. PANT:** I am sure the finance Commission will go into the question of criteria and will hold talks with the Chief Ministers and the Finance Ministers of the States.

**SHRI S. KANDAPPAN:** There is a general complaint from non-Congress as well as Congress States that the assistance given by the Centre is not adequate. It is agreed on all sides that the resource position of the States is not satisfactory. That is why the Central Government has come forward to appoint the Finance Commission. I would like to know, before fixing up the terms of reference of the Commission, whether the Central Government is prepared to consult the States on that particular point.

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI):** They are already fixed. There is no question of consultation. It is not necessary to consult the States in this matter.

**SHRI S. KANDAPPAN:** Then the States may not cooperate .....  
(Interruption)

**श्री नरहरि सिंह चौधरी:** अध्यक्ष महोदय, कुछ प्रान्तों में अधिक विकास हुआ है, लेकिन कुछ प्रान्त ऐसा करते हैं कि केन्द्र से जो निधि उन को मिलती है, वे

उस निधि को अपने साधारण खर्चों में लगा देते हैं। क्या केन्द्र कुछ ऐसी व्यवस्था करेगा, जिससे कि विकास के लिए जो निधि मिलती है, उस का सदुपयोग हो सके और सब प्रान्तों का विकास एक-साथ बराबर हो सके ?

**श्री कृष्ण चन्द्र पंत:** कोशिश तो यही है।

**श्री ओंकार लाल बरवा:** राजस्थान को दी जाने वाली सहायता के बारे में राजस्थान के मुख्यमंत्री श्री मुखाडिया ने इस बात की शिकायत की है कि राजस्थान नहर के लिए जो सहायता मिली है, उस से काम नहीं चल सकता। मैं जानना चाहता हूँ कि क्या सरकार ने राजस्थान नहर के बारे में कोई अतिरिक्त सहायता देने का साधन जुटाया है ?

**श्री मोरारजी देसाई:** हर एक राज्य के लिए जो दिया जाता है, वह पूरा नहीं होता है, ऐसा हर एक राज्य को महसूस होता है, लेकिन केन्द्र में भी जिसके लिए हम सब यहां जिम्मेदार हैं, यह सोचना चाहिए कि जब यहां भी पूरा नहीं है, तो देंगे कहां से।

**SHRI P. VENKATASUBBAIAH:** May I know how far it is correct that in our three Plan periods, there were instances when Central projects were started outside the State Plans and the benefits accruing to those respective States with the result there has been a great regional imbalance and, if so, whether such factors have been taken into consideration while allocating plan outlays of the various States ?

**SHRI K. C. PANT:** As I said earlier, the requirement of funds for specially backward areas is one of the criteria.

**श्री शिवबन्धु झा:** अध्यक्ष महोदय, मैं जानना चाहता हूँ कि 1968-69 के लिए केन्द्रीय सरकार ने बिहार के लिए कितनी रकम ईयर मार्क की है और उस रकम में से बिहार की जो बड़ी-बड़ी योजनाएं हैं—जैसे गण्डक योजना, वैस्टर्न-कोसी योजना, गंगा पर पुल बनाने का काम, क्या इन सब के लिए उस में पर्याप्त व्यवस्था की गई है ?

श्री कृष्ण चन्द्र पन्त : अगर माननीय सदस्य स्टेटमेंट देखते तो उसमें आंकड़े दिए हैं, 46.8 करोड़ रुपए।

UNITED NATIONS DEVELOPMENT  
PROGRAMME

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\*394. SHRI DEVENSEN:

SHRI VIRENDRAKUMAR SHAH:

Will the Minister of FINANCE be pleased to state:

(a) whether the decision of the United Nations Development Programme to support 24 development programmes in Asia and Far East countries covers India also; and

(b) if so, the development project selected for India in this connection and the total amount of investment involved?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) (a) Yes Sir.

(b) In January, 1968 the Governing Council of the United Nations Development Programme allocated \$3.89 million to meet the costs of foreign experts, training facilities abroad and equipment for the implementation of the following three Indian projects:—

1. Design Centre for Electrical Measuring Instruments,
2. Nuclear Research in Agriculture, and
3. Sheep and Wool Development in Eight States.

The rupee expenditure on these projects of about Rs. 4.4 crores will be incurred by the Central/State Governments concerned.

श्री बबेन सेन : क्या मन्त्री महोदय फर्मायेंगे कि जिन जिन प्रोजेक्ट्स पर सहायता प्राप्त होगी, वहां पर नियन्त्रण की क्या व्यवस्था होगी, यानी हिन्दुस्तान का कन्ट्रोल कहां तक रहेगा ?

दूसरी बात यह है कि अभी तक यूनाइटेड नेशन्स डेवलपमेंट फंड से कितनी रकम हिन्दुस्तान को आई और कौन-कौन से प्रोजेक्ट्स में वह लगाई गई है ?

श्री मोरारजी देसाई : जो पैसा आता है और उससे जो काम करना होता है उसके

ऊपर हमारा ही काबू रहता है, बाहर का नहीं रहता है।

आज तक वहां से हमें 48.33 मिलियन डालर्स की सहायता 48 प्रोजेक्ट्स के लिए मिली है।

श्री बबेन सेन : हिन्दुस्तान के मुकाबले में पाकिस्तान को कितनी सहायता मिली ?

श्री मोरारजी देसाई : यह मुझे मालूम नहीं है।

SHRI VIKRAM CHAND MAHAJAN: Will the hon. Minister please indicate what test will be employed in allocating different projects to different States?

SHRI MORARJI DESAI: About these projects?

SHRI VIKRAMCHAND MAHAJAN: Yes.

SHRI MORARJI DESAI: These projects come from different States, and that is according to requirement.

WORLD BANK TEAM'S REPORT ON INDIA'S  
EXPORTS

\*395. SHRI D. N. PATODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a world Bank team after a full survey has expressed deep disappointment with the country's performance in the field of exports;

(b) whether the team has presented its report to Government;

(c) if so, the main recommendations thereof; and

(d) the decision taken by Government thereon?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) to (c). Reports of World Bank teams are made to the President of the Bank and are treated as confidential documents of the Bank. It is regretted that their contents cannot be divulged.

(d) Does not arise.

SHRI D. N. PATODIA: Is it a fact that the World Bank has indicated that our